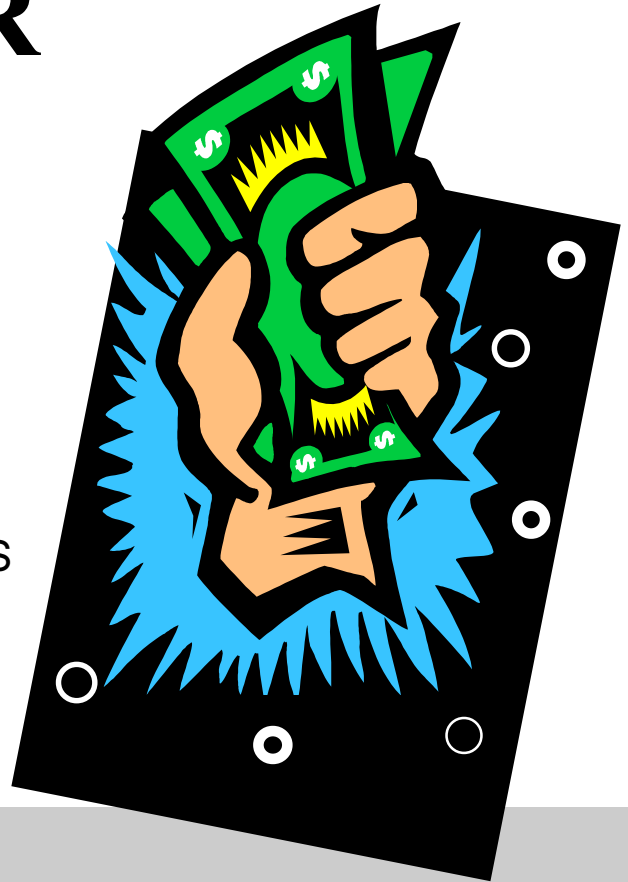


A CONSUMER REFERENCE GUIDE FOR SENIORS

HOW TO AVOID SCAMS AND FRAUDS



Mike Fisher
Attorney General

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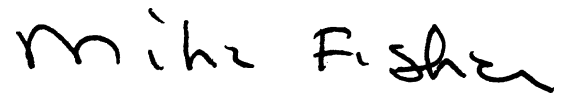
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You probably have heard it said many times: *“If it sounds too good to be true, it probably is.”*

Not bad advice, but how can you tell the difference between an offer that’s genuine or a trap set by a con artist looking for ways to get your money?

This consumer booklet describes a number of scams, frauds, and other consumer issues that could affect you. It offers information, tips, and telephone numbers that will help you to avoid falling prey to scam artists or being talked into spending too much of your hard earned money.

You may want to keep this booklet by your telephone book for easy reference and also share the information with a neighbor. Being an informed consumer is the best defense against economic crime.

A handwritten signature in black ink that reads "Mike Fisher". The letters are cursive and slightly slanted to the right.

Mike Fisher
Attorney General

Information is the best defense

The clever con artist is a good actor who disarms his victims with an affable “nice guy” approach. Behind this friendly exterior is a shrewd judge of people who can isolate potential victims and break down their resistance to his proposals.

The typical con artist is seldom violent or mobile, with an excellent sense of timing. We find that scam artists believe their victims deserve their fate. And, if caught, they’ll probably strike again later. Con artists are seldom rehabilitated.

The Victim

Anyone can be a victim — even a person who considers himself too intelligent or sophisticated to be “conned.” During the 1920’s, “Yellow Kid”

Weil, (a con artist named because of his favorite comic strip character) routinely swindled bankers, explaining, “That’s where the money is.”

Many victims share certain characteristics. Often, but not always, they are older, female, and living alone. They are trusting of others — even strangers — and may need or desire supplemental income. Loneliness, willingness to help, and a sense of charity are characteristics a con artist will exploit to gain a victim’s cooperation.

The con artist ultimately will exploit his victim’s assets — including life insurance benefits, pensions or annuities, “nest eggs,” home equity or other tangible property. And he’ll usually obtain the willing cooperation of his victim to complete his scheme.

A con artist is difficult to detect by looks alone. But you can often spot him by his words or expressions, including:

“Cash only”- Why is cash necessary for a proposed transaction? Why not a check? Credit Card?

“Secret plans”- Why are you being asked not to tell anyone?

“Get rich quick”- Any scheme should be carefully investigated.

“Something for nothing”- A “retired” swindler once said that any time you are promised something for nothing, you usually get nothing.

“Contests”- Make sure they aren’t a “come-on” to draw you into a money-losing scheme.

“Haste”- Be wary of any pressure to act immediately or lose out.

“Today only”- If something is worthwhile today, it’s likely to be available tomorrow.

“Too good to be true” - Such a scheme is probably neither good nor true.

“Last chance” - If it’s a chance worth taking, why is it offered on such short notice?

“Left-over material” - Left-over materials might also be stolen or defective.

If you need help or information on consumer issues, see the Directory of Consumer Resources on page 31.



Think You Hear Opportunity Calling?

Telemarketers sweet-talk American consumers out of over \$40 billion a year

Your telephone is one of the easiest ways for a con artist to get your money. These scams may start with a postcard promising cash and prizes if you call an “800” or “900” number. When you do, a friendly voice asks for your credit card number to “verify” your identity. Then the high-pressure tactics begin to convince you to buy merchandise. Many factors make senior citizens more vulnerable to this type of scam. When the scam artist calls, senior citizens are more likely to be at home, have time to talk and be willing to listen.

Some of the favorite techniques used are:

- The element of surprise. The unexpected call with a high-pressure sales pitch urges you to “act

immediately” for a “once-in-a-lifetime deal.” You are given no time to evaluate the deal, and must act the same day.

- The attempt to get personal information such as your credit card, telephone calling card, or checking account numbers. With this information, scam artists could withdraw money from your checking account or use your credit card to buy goods.

- Requiring you to pay shipping and handling or taxes before receiving any merchandise. Even then, you may never receive what is promised or may get something of far less value.

If you want your name removed from telemarketing lists, send your name, telephone number (including area code) and address to the Telephone Preference Service, Direct Marketing Association, P.O. Box 9014, Farmingdale, New York 11735-9014. Registration should reduce the number of unsolicited calls placed to your home or business, but it may not stop all calls.

The association supplies its “Do-not-call” lists to its members on a periodic basis.

Here are some tips to avoid being taken by a telemarketing scam:

- Never give your credit card, checking account, Social Security, or telephone calling card numbers or any other personal information or driver’s license number over the phone unless you initiated the call to a well known, reputable company.

- Never pay for a prize over the phone. That includes paying postage, shipping and handling, or any other costs for something the caller says you have won.

- Never allow a caller to pressure you into acting immediately.

- The law prohibits telemarketers from calling consumers who have stated that they don’t want to be called.

- Never agree to any offer until you have seen it in writing. If the caller will not send you information in the mail, be suspicious.

- Remember, Pennsylvania law restricts telemarketers to making calls between the hours of 8 a.m. and 9 p.m.

**For additional information
on telemarketing scams,
call the Pennsylvania
Attorney General’s
Bureau of Consumer
Protection at
1-800-441-2555.**



Tempted? Don't Let Swindlers Through the Door

Door-to-Door Solicitors often Offer Deals that Really are "Too Good to be True"

When Dottie answered a knock at her door, a clean-cut young man greeted her with an enthusiastic hello. "I'd like just a few minutes of your time to show you my company's latest time-saving, energy-efficient vacuum cleaner," he said. "I really don't need a new vacuum cleaner," she replied. "But this machine is much more than just a vacuum cleaner; it will also shampoo your carpets. It will only take ten minutes of your time, I promise you," he beamed. Dottie reluctantly let the salesman into her house. After quickly demonstrating the machine, the salesman pulled out a contract and briefly explained the terms to Dottie. She didn't understand everything, but was too shy to ask many questions. "I'd rather think it over," she exclaimed.

"Sorry, ma'am, but this offer is only good for today. If I have to come back another day, it will cost you twice as much." Dottie didn't know what to do.

Senior citizens are frequent victims of door-to-door scams and high-pressure sales tactics. Con artists will coax you into an unnecessary or excessive contract or they may take your money and never deliver the product. Door-to-door solicitation can be a good "cover" for criminals to enter your home or survey the premises. Sometimes, two people appear; one delivers the sales pitch while the other "cases" the property, possibly even stealing possessions.

Mike Fisher's tips for handling the stranger who rings your doorbell:

- Don't let the salesperson in the door until you have seen proper identification and determined exactly what he/she wants. Magazine sellers must be licensed.

- Compare the offer with other similar products before making a decision to buy the product.
- Watch out if you are told that you have been selected to use a product free of charge. By accepting a free item and signing some kind of contract to buy more, it may eventually cost you money.
- Get everything in writing. This includes estimates for work, prices for products and all promises, including guarantees. Make sure you get a notice of your right to cancellation before signing anything. Under Pennsylvania law, you have a three-day right of cancellation for goods and services sold to you in your home as long as the item costs \$25.00 or more. The law requires vendors to provide this notice in advance.
- Read and make sure you understand anything you sign before you sign it. Get a copy for your records.

- Keep good records for your protection. This includes the seller's full name, business address, and telephone number.

**Above all: Don't
Be Afraid to
Say "NO!"**



For additional information on
door-to-door scams, call
Mike Fisher's Bureau of Consumer
Protection Hotline at 1-800-441-2555.

“You May Already Be a Winner. . .”

Mail fraud may be illegal, but it still nets millions every year

Harold and Gladys often gave to local charities. In the mail, they received a glossy picture of a be-draggled looking little boy with a caption that read, “Help Clothe This Child for the Winter.” The picture tugged at their hearts, reminding them of their grandson, Robert. They mailed a check to the person named in the brochure. Harold later tried to call the organization to see if they had received his check. The couple was concerned when they discovered that the telephone number given in the brochure was out of service. Harold was never able to contact the organization.

Your mailbox is a perfect means for con artists to trick you. Mail may arrive in the form of postcards, fancy color brochures, envelopes with official-looking seals, letters of endorsement, even government seals copied to look real.

If you receive requests for money or for credit card numbers to enter sweepstakes or contests, DON'T RESPOND.

A letter, sweepstakes notice or other sales promotion asking you to call for more information or to claim a prize may actually be a trap to lure you into high-pressure sales techniques over the phone.

If told you must “act immediately” or the offer is available for a “limited time only,” don't act impulsively. Give yourself time to check out whether the offer is legitimate. Honest companies don't expect an immediate answer.

Bogus fundraisers sometimes use names of organizations that sound like well-known charities. Check the name carefully to make sure the organization is legitimate.

Some unscrupulous companies make reference to Social Security or Medicare to deliberately deceive you. These companies want you to believe they are associated with recognized government programs when in fact, they are not. Such use of government symbols or names is illegal.

Sometimes you may be asked to travel long distances to collect your prize. However, you may end up with a high-pressure sales pitch to buy something you don't want.

When you are notified that you have won a prize or will receive something of value, you cannot be required to pay any money. This includes fees, postage, handling charges or taxes. You cannot be required to listen to a sales promotion in order to win a prize.

Even though the retail value of each prize must be given, check it out because sometimes the value of the prize may be illegally inflated by the manufacturers.

For additional information on mail fraud, call the U.S. Chief Postal Inspector at 202-268-2284 or your local postmaster. To verify a charity's legitimacy, call the Pennsylvania Office of the Secretary of State, Bureau of Charitable Organizations at 1-800-732-0999.



Think Twice - or You May Get Stung

Con Games prey on your trust to rob you blind

Marge received a call from a woman claiming to be the manager of her bank. She told Marge that the bank was investigating thefts from some of their accounts, including hers. They suspected one of their tellers. The alleged bank manager asked Marge to help them catch the teller. Marge agreed and was told to withdraw some money from her account and take it to a detective at a certain location. At that point, she would receive further instructions to continue the investigation. Marge made the withdrawal, met the “detective” and gave him her money. He told her to return home and wait for a phone call from his office. Marge returned home, but never heard from the bank manager or detective again.

Confidence (Con) games take many forms, but all are designed to take your money. The con artist is good at taking advantage of you in an unguarded moment. These schemes are fast-paced and usually succeed by isolating and controlling you. Older citizens are prime targets, because they are more likely to have cash available in their homes and may be more trusting and polite toward strangers. The average loss to each person who becomes a victim of con games may be in excess of \$5,000. Beware of these con games:

Pigeon Drop - Pigeon Drop begins when you are approached by a stranger at home or at a shopping mall who claims he found a large amount of cash and shows you what appears to be the money. He convinces you he wants to share the loot with you, but first you must put in some money to participate in the deal. In order to do this, you must withdraw \$500 from your bank. The con artist tells you that if you give him the “good faith” deposit, he will give you instructions on how to collect your share

of the cash he found. When you meet him next, you hand him the money and are given instructions, which later prove to be phony. You never see the con artist again.

Bank Examiner — The con artist calls you at home, identifying himself as an official bank examiner. He asks you to be a “good citizen” by helping the bank catch a dishonest bank employee. You are requested to withdraw a certain amount of cash from your bank account so the serial numbers can be checked. You make the withdrawal and later meet the “bank examiner,” who shows you forged credentials. The examiner takes your money for evidence and leaves. You never see him again.



Mike Fisher's Tips to avoid being taken by a con artist:

- Stop and think about any spur-of-the-moment scheme that is proposed. If it sounds too good to be true, it probably is.
- Do not make withdrawals from your bank account at the request of strangers or new acquaintances.
- Don't be fooled by persons claiming to be officials without verifying their identity. Banks or law enforcement officials do not enlist help from their customers or citizens to catch embezzlers or thieves. They have internal security staff to handle such matters.
- If you find a large sum of money, call the police and let them take custody of it.

For additional information on confidence games or to report suspected illegal activity, call the Pennsylvania Attorney General's Bureau of Consumer Protection at **1-800-441-2555**.

Don't Get Burned on a Bargain Vacation.

Hidden Restrictions Turn Dream Vacations into Nightmares

Myron and Blanche had eagerly awaited their retirement so they would finally have time to do some traveling. Although they weren't rich, they were able to take occasional trips on their retirement income. When they read about a vacation bargain in their community newspaper, they were excited and called the phone number listed in the ad. When Myron asked for details about the cruise vacation, the person answering the phone asked for his credit card number to hold their reservation. They received a letter a week later that listed many restrictions and conditions they hadn't known about when they made their phone reservations. Their dream vacation ended up costing much more than they had bargained.

If you have been offered a great bargain on a cruise or resort vacation, but the company seems reluctant to give you details until after you have paid, you may be dealing with a travel scam. Typically, scam artists will not give you complete details in writing until after you've given them a credit card number, certified check or money order. Once you do get additional information, you may find that there are restrictions and conditions that may make it more expensive, or even impossible, to take your trip.

You may receive a postcard or letter that says you have been selected to receive a car, a vacation or other valuable prize. To collect your prize, you are required to visit their place of business, where they pressure you into signing a contract or making a purchase. Your "fabulous" prize is often of little value.

Mike Fisher's tips to help you avoid being taken by a travel scam:

Avoid offers that sound too good to be true, or have received a postcard or certificate in the mail.

- Never give your credit card number or any information about your bank accounts over the phone to a solicitor.

- Get the complete details in writing about any trip before paying.

- Be cautious with companies that require that you wait at least 60 days to take your trip or require that you select several dates of departure for your trip.

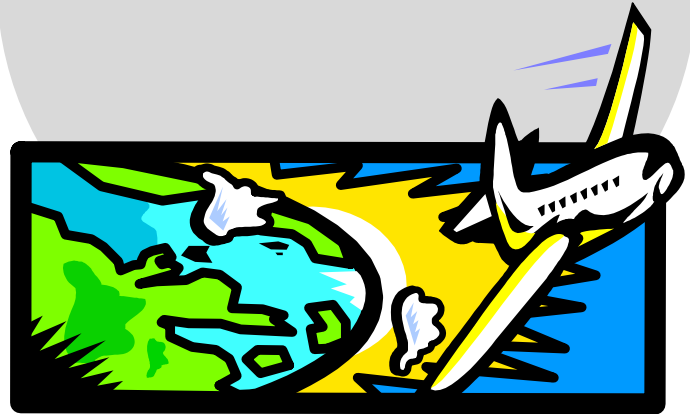
- Avoid mailings using words like "grand finalist," "urgent," or "winner" that appear to be sent by special mail or courier.

- Be wary of "900" phone numbers; they will end

up costing you and may not result in any benefit to you.

- Don't be pushed into a decision; it's the surest sign that someone's up to no good. Never feel that you have to make a decision on the spot.

For additional information on vacation scams, call the American Society of Travel Agents, Consumer Affairs Department, at 703-739-8739.



Don't Let Them Start What They Won't Finish

Home Improvement Cons Can Wreck Your Dream House

When the front porch on Joe and Anna's rowhouse needed renovating, the couple called a local home improvement contractor to get an estimate for the work. They decided to give him their business and paid him in advance. His crew began to work, but often came late or never showed up at all. Joe and Anna grew impatient as weeks passed and the work on the porch remained unfinished. When they called the contractor, they were shocked when a recording said the number was no longer in service.

Unscrupulous home improvement contractors have a tendency to prey on seniors. They use high-pressure sales tactics to win customers, often promising to begin and complete the work more quickly than any other company in your area.

A contractor may request full payment before completing the work and then not complete the job to the homeowner's satisfaction. They may also not provide a written contract.

Mike Fisher's tips for dealing with unscrupulous home contractors:

- Beware of the contractor who comes to your door unsolicited.
- Who offers reduced prices for work using "left-over" materials from a previous job.
- Who gives a post office box without a street address or phone number, or just an answering service.

Mike Fisher's tips when having home repairs done:

- Don't use a contractor who has no experience performing the work you need done. The contractor should be able to share references and give examples of workmanship on similar projects. If your project requires subcontractors, such as an electrician or a plumber, ask for their names and check them too.
- Obtain at least three estimates for the improvement project.
- Always get a written contract before you permit work on your home. Examine the contract carefully to be sure it includes descriptions of the exact type of improvements to be done, estimated completion date and payment schedule.
- Don't pay a contractor before you read and sign a contract. Make only a small down payment to cover costs of materials, until the job is done to your satisfaction.



Looking For a Way to Work at Home?

Temptation of earning “easy money” might empty your wallet instead of filling it.

Fred retired from his government job after 30 years. He was financially comfortable, but wanted to make a little extra money to support his new hobby of coin collecting. He saw an ad in the community newspaper seeking free-lance workers to proofread in their homes. He was instructed to send \$25 for a list of businesses that hired these workers. When he received the list, he wrote to the companies to secure a job. Much to his dismay, he found that none of them were interested in hiring free-lance proofreaders.

Work-at-home advertisements are often found in the classified sections of local newspapers or national tabloids. While some of these ads are legitimate, many are not. The ads promise money for

work you can do at home, such as addressing or stuffing envelopes or putting together crafts. They give vague details about the type of work to be done and may ask you to send a self-addressed stamped envelope for more information. Once you receive the information, the company may require you to put up a fee before you start working. After the fee is paid, you may receive a list of companies that do not exist or that do not hire workers for the job you saw advertised.

Mike Fisher's tips to avoid work-at-home rip-offs:

- Be suspicious of companies that promise a regular market or steady income.
- Don't pay for information about a work-at-home offer.
- Find out exactly what you must do in order to benefit from all that is promised in the ad.

- Contact the Better Business Bureau in the region where the business is located to see if any complaints have been filed against the company to which you've applied. Don't assume that the company is legitimate just because no one has registered a complaint. Check further. A little detective work in the beginning may save you heartache later.

If you have any more questions about work-at-home schemes, call the Attorney General's Consumer Protection HOTLINE at 1-800-441-2555.



Think You're Cut Out to Be a Fat Cat?

High-Return Investments Hold High-Risk Loss Possibilities

Erwin is retired from the school system. Browsing through notices posted on a computer bulletin board, Erwin sees a chance to invest in the new obesity drug. Anyone with \$10,000 can get in on the ground floor of the marketing of this “in-demand” pill, and double that sum in a year.

A plausible sounding investment “opportunity” hooks many people, whether it is the latest medical breakthrough, licenses for cellular telephone or wireless television, a part-time greeting card business, a franchise or gold investments. But when you put your money into other people’s schemes, you seldom get what you were promised and may lose every penny. Some get-rich-quick schemes promise such spectacular returns that it is surprising

that people are fooled, yet they are - to a tune of \$1 billion each year. Such frauds include pyramid schemes, chain letters, gems, and high-risk securities.

Watch out when phrases such as these are used: easy money made fast, prizes, the good news is..., limited edition, collector’s item, 99 percent safe investment. And think logically. Sure, the drug company will get rich off that “thin” pill, but why would that company let strangers such as yourself in on the deal?

Any investment, even municipal bonds, annuities, and mutual funds, carries some risk. Investments are not like federally insured bank deposits that pay predictable, even if low, interest. When, in hopes of earning more, you invest money in the stock market or elsewhere, there are no guarantees. Moreover, fees and commissions must often be paid to a “middleman” whose recommendations assist you to select among investment choices.

Such fees are explained ahead of time by reputable brokers, financial counselors, and other professionals in the investment field. Dishonest brokers may churn (repeatedly buy and sell) your account to make money for themselves. Honest professionals also provide written explanations of investment products.

Problems? Usually, you can complain directly to the bank, insurance company, brokerage house or office that handled your investment. The problem with buying over the telephone, through the mail, or over the Internet is that you have no local office to contact.

Before investing, contact the following agencies for information on the legitimacy of those with whom you plan to invest: The Securities & Exchange Commission at **1-800-732-0330**; or The National Association of Securities Dealers (NASD) at **1-800-289-9999**. For a free copy of "Older Investors," write NASAA, 10 G. Street NE, Suite 710, Washington, D.C. 20001.

Remember:

Never buy anything you don't understand.

Never make an immediate decision.

Read the fine print.

You can't get something for nothing.

Worldwide Web of Cheaters, Liars & Thieves

Internet Access Offers Crooks New Routes to Your Money

Bill was excited about learning to use the Internet on his computer. While “surfing the net” one day, Bill came across what looked like a fabulous business opportunity to use his PC to make money at home. When he sent for more information about the business, he was surprised to discover that the required initial investment of money was far greater than was advertised on the net.

The so-called Information Superhighway, or Cyberspace, is the newest area being used by con artists. As the number of seniors using the Internet grows, and as more and more seniors become computer literate, the chances of becoming a victim of an on-line scam increase. Many scam artists using the telephone and mail to trick consumers are

now using the Internet and on-line services. Some of the favorite techniques are:

Classified advertising that promises much more than can be delivered, such as quick and easy weight loss products.

Business opportunities, especially work-at-home schemes involving the use of a personal computer to make money.

Use of “900” telephone pay-per-call services, which promise high profits for a small investment.

“Disguised advertising” on the Internet and on-line service bulletin boards, chat rooms, or chat forums that may actually be sales pitches for products.

Mike Fisher's tips to avoid being taken by an on-line scam:

- Overstated claims of product effectiveness.
- Frequent use of the word "hot" to describe proposed investment opportunities.
- Exaggerated claims of potential earnings.
- Claims of "inside" information.
- Promotions of cheap stocks promising high returns.
- Promising for exotic investments such as gold mining, ostrich farming, etc.

For more additional information on on-line scams, contact the National Fraud Information Center, Consumer Assistance Service at **800-876-7060** or **<http://www.fraud.org>** on the World Wide Web.



To Reach Attorney General Mike Fisher's Office:
www.attorneygeneral.gov

Am I Hearing Right?

Inflated claims and misleading guarantees cloud decisions when shopping for hearing aids

Flora spent \$2,500 for hearing aids, but she found them to be useless. Although she complained to the seller, he repeatedly insisted she simply needed more time to get used to them. Flora's sales contract didn't include the notice of cancellation as required by law, and she worried about how she might get her money back.

Hearing aids and batteries can be a big expense, with each hearing aid costing as much as \$2,000. If you're fitted improperly, you could end up with a costly device that you never use. And if you're not careful, an aggressive salesman, using hard-sell tactics, could persuade you to buy the wrong hearing aid.

It is essential before buying a hearing aid that your hearing problem is diagnosed properly, since a hearing loss may be a symptom of a more serious medical condition. A hearing aid seller is required by federal law to inform you that it is in your best interest to have a medical exam by a licensed physician. The U.S. Food and Drug Administration recommends an ear, nose and throat specialist (otolaryngologist), an ear specialist (otologist) or any licensed physician.

Once your doctor confirms you need a hearing aid, he can refer you to a seller who is qualified to fit hearing aids.

Mike Fisher's tips when buying a hearing aid:

- Do not sign anything a seller asks you to without reading it carefully. You might be signing an agreement to waive the need for a medical examination before you buy a hearing aid.

- Be sure you deal with a seller who will take the time to resolve fitting and volume adjustment problems and teach you how to use the device. Federal law requires that the seller provide an instructional brochure.
- Get a written estimate of the cost of the hearing aid, including extra charges for molds, accessories, follow-up checkups, etc.
- Never pay cash. Use a check (payable to the company, not a salesperson) or credit card so you can stop payment if necessary.



Take Care and Beware

Medicare fraud preys on your aches and pains to drain your patience and your wallet

Jane suffers from arthritis for which her doctor has prescribed medication. She heard a presentation on a special kind of medical equipment known as a lymphedema pump that the salesman said took care of water build-up in the hands and feet and reduced swelling that makes limbs sore. The salesman claimed that the pump would help with several medical conditions, including Jane's arthritis, and that Medicare would cover the cost. Jane gave him her Medicare number and the name of her doctor.

A few weeks later, she received a pump in the mail, but could not figure out how it worked. When Jane received her form from Medicare, she was shocked to learn that the salesman received a \$4,000 Medicare payment and that she could be responsible for 20% of the pump's cost. She later learned from her doctor that the pump would not help her condition.

The Medicare program is built on a system of trust. It pays for necessary medical services and supplies that are used to treat diagnosed illnesses. With few exceptions, Medicare beneficiaries are responsible for 20% of the cost of the medical services and supplies received (unless paid by supplemental insurance).

In the case of home medical equipment, be aware that sales representatives are not qualified to diagnose medical conditions or recommend proper medical equipment. Only your doctor can do that.

Also, Medicare does not provide "free" medical services or supplies. If a sales representative tells you a product will cost you nothing, there is a real possibility that a health care scam may exist. In that event, call the Durable Medical Equipment Medicare carrier at **1-800-270-2313** immediately and report it.

To protect yourself and your money, watch for:

- Medical equipment providers who advertise free testing or screening in exchange for your Medicare number.
- Providers or salespersons who present themselves as representatives of Medicare; Medicare does not endorse specific products or companies.

Remember:

- Do not just give anyone your Medicare number or other personal information, even if it is a salesperson promising you a miracle cure, or one that is claimed to be “recommended by physicians.”
- If you believe a medical product or equipment may be helpful, consult with your doctor who is the only one who can order any necessary equipment or product.



**For assistance with Medicare,
Medigap, Medicare HMO's and other
health insurance matters, call the
Pennsylvania Department of Aging
(717) 783-1550**

Making Hard Decisions for Loved Ones

Poor planning when choosing a nursing home can cost both money and peace of mind.

Sylvia lived alone in a beautiful ranch house. Her daughter Mary tried to visit at least once a week. During her last visit, Mary noticed the grass hadn't been cut, the house seemed dirty inside and the only food on hand was some cereal. Sylvia also seemed a little confused. Mary wondered if her mother needed to move into a nursing home, so she considered admitting her to the Beautiful Garden Nursing Home. The nursing home administrator suggested Sylvia be admitted right away. Mary asked, "What's it going to cost?" The administrator said that costs ran about \$4,000 a month and added: "If we admit your mother, you will be responsible for any charges your mother's money doesn't cover. You must also agree to pay privately, out of your own pocket, for at least six months. If you don't, we can't admit your mother."

It is important to know what nursing homes are entitled to require before admission. Following are a few key guidelines:

A nursing home may not require or solicit the signature of another person other than the applicant as a condition of admission into the facility, unless the applicant is under guardianship or the applicant's physician determines the applicant is incapable of understanding or exercising his or her rights and responsibilities and so notes it with specific reasons.

If the facility requires that you sign for your loved one, it should provide a clear statement indicating what responsibility you are taking. A nursing home may not require you to pay from your own funds unless you wish to do so and have made the decision voluntarily.

A nursing home may not require anyone to pay privately for any specific amount of time.

Sorrow & Financial Vulnerability

A grieving heart can be an opening to bleed your pocketbook.

Peggy was devastated when her husband died suddenly while they were vacationing in Florida. She contacted a funeral establishment back home to get help in making arrangements and was told that everything would be handled. When Peggy returned home for the funeral, she was grateful to see that the service was done in the best of taste. However, when she received the bill from the funeral director, she was shocked at what she owed.

The death of a loved one is upsetting for everyone and, unfortunately, can be a ripe opportunity for some unscrupulous businessmen. But, while a grieving widow or widower may be especially vulnerable to frauds and scams, purchases and transactions entered into well before the customer's death can be a fertile area for exploitation too.

Some people purchase life insurance to provide for

“final” expenses. However, some policies are very expensive but have severely limited benefits. You might end up paying far more in premiums than the policy would ever be worth.

While funeral homes are regulated by laws, decisions about final arrangements can also become opportunities for manipulation by a few businesses. The Federal Trade Commission requires itemized prices be provided over the telephone, and that services be listed separately so there are options from which to choose. Pre-planning a funeral is a good way to prevent someone from using an emotional time as a chance for profit.

Some people choose to pre-pay their funeral expenses so that families won't have that burden. While pre-paid plans have the advantage of fixed prices with inflation protection, the interest earned on your pre-paid account goes to the funeral director at the time of the service. You might want to consider pre-planning without pre-paying. Set up a special savings account to pay the expenses instead.

Mike Fisher's tips to remember when planning for death:

- The stress of loss can cloud otherwise routine financial transactions. Let a relative or trusted friend help you with funeral arrangements. Or better yet, pre-plan your funeral.
- If you pre-pay your funeral, carefully read the contract.
- Be wary of insurance policies that seem too good to be true.
- Remember that you have consumer rights regarding death-related purchases. The Federal Trade Commission and other protection agencies have rules for funeral homes.
- When a loved one dies, don't be pushed into making big decisions or purchases. Some suggest that it is wise to wait a year before taking big steps, like moving.



Are You Sure I'm Insured?

Making sure your coverage isn't full of holes.

Henry's insurance agent called to describe a new life insurance product which sounded much better than the policy Henry already had. The agent quickly arranged for a meeting at Henry's house and was very helpful in explaining this new product. It sounded great to Henry — no added cost and better benefits. Some weeks later, Henry received a letter from the insurance company outlining his new policy, which cost a lot more and offered less coverage than his former policy.

Although most insurance agents are reputable, some unscrupulous agents target the elderly or ill in get-rich schemes that leave the agent with the riches while the elderly get nothing, or far less than they bargained. Insurance is a complicated product and an uncaring agent can use these complications along with high pressure tactics to lure unsuspect-

ing consumers into worthless or overpriced insurance policies. Some examples of policies used in these schemes include cancer insurance, fixed premium/decreasing coverage term life insurance and whole life insurance policies.

Be careful if an agent:

- Suggests that a fairly new policy (less than a year old) be replaced with a "better" policy.
- Suggests replacing the type of insurance policy without reason.
- Pressures you into signing any forms or making changes to existing policies.
- Shuffles forms and policies in front of you, with a signature required on each page.
- Offers any kind of "package deal" to include several types of coverage or benefits.
- Demands payments in cash or money orders only.

- Gives you no receipt for payments.
- Request check be made payable to him instead of to the insurance company.
- Asks you to sign documents that are not complete but will be filled in later by agent.
- Insists that you sign forms that contain false information about such things as your address; pre-existing medical conditions, problems or history; or the use of your car.
- Discourages you from having others review documents or talk to other customers with the same type of policy and coverages.

Look out for these tell-tale signs of a possible scam:

- If you don't receive a policy within six weeks.
- If you don't receive annual reports and other correspondence from the company.
- If the declaration page of your policy contains coverages you did not want to purchase.

- If your policy statements show loans against the policy not authorized by you.

To avoid becoming a victim:

- Do not sign any forms unless you've had sufficient time to review them.
- Insist upon receiving a receipt every time you make a payment.
- Never change an insurance policy unless you have had time to review all the forms completely.
- Never let an agent talk you into coverage you do not need or want.

Remember, there is no reason to rush into decisions concerning the purchase of insurance policies, whether they are for life, health, automobile or homeowners coverage. If you feel that an agent is pressuring you, do not sign anything until you have had time to review the documents completely.

Directory of Consumer Resources



Help is just a phone call away.

**American Society of Travel Agents (ASTA)
Consumer Affairs Department - 703-739-8739**
(for basic information about ASTA travel agents
and tour operators)

**Pennsylvania Department of Aging - 717-783-
1550** (for general information, including referrals to
Senior Health Insurance Counseling and Advocacy)

**Consumer Protection Division, Pennsylvania
Attorney General's Office - 1-800-441-2555** (for
filing complaints, or for checking on the complaint
history of businesses or individuals)

**Pennsylvania State Board of Funeral Directors
- 717-783-3397** (to verify licenses of or to file
complaints against funeral home directors)

**Pennsylvania Insurance Department - 717-787-
7000** (to verify insurance agent's license and
complain about misconduct)

**Charitable Trusts & Organizations Section,
Pennsylvania Attorney General's Office,
717-783-2853** (for filing complaints for charitable
abuses, or to find out about charities doing business in Pennsylvania)

**Pennsylvania Office of the Secretary of State,
Bureau of Charitable Organizations- 1-800-732-
0999** (for questions and complaints about charitable organizations)

**National Fraud Information Center - 1-800-876-
7060** (a toll-free consumer assistance service for
filing complaints about scams and frauds, including on-line scams)

U.S. Chief Postal Inspector - 202-268-2284 or
your local postmaster (to report crimes related to
postal service, including mail fraud)

Notes: